

# STATE OF NEW YORK

---

8653

2019-2020 Regular Sessions

## IN ASSEMBLY

October 2, 2019

---

Introduced by M. of A. FAHY -- read once and referred to the Committee on Judiciary

AN ACT to amend the general obligations law, in relation to the liability of payroll processing companies

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The general obligations law is amended by adding a new  
2 section 11-108 to read as follows:

3 § 11-108. Liability of payroll processing company. Notwithstanding  
4 any other provision of law to the contrary, any person under contract to  
5 an employer to distribute the employer's payroll that intentionally  
6 prevents the distribution of such payroll pursuant to the contract with  
7 the employer shall be liable to an employee of the employer that failed  
8 to receive an expected payment for an amount up to three times the  
9 expected payment. Liability under this section is in addition to any  
10 other applicable penalties and causes of action. An action to recover  
11 damages under this section may be maintained as a class action, notwith-  
12 standing subdivision b of section nine hundred one of the civil practice  
13 law and rules.

14 § 2. This act shall take effect immediately.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

LBD13797-01-9